

PAUL J. PASCUZZI, State Bar No. 148810
JENNIFER E. NIEMANN, State Bar No. 142151
FELDERSTEIN FITZGERALD
WILLOUGHBY & PASCUZZI LLP
400 Capitol Mall, Suite 1750
Sacramento, CA 95814
Telephone: (916) 329-7400
Facsimile: (916) 329-7435
ppascuzzi@ffwplaw.com
jniemann@ffwplaw.com

Attorneys for Grail Semiconductor

UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF CALIFORNIA

SACRAMENTO DIVISION

In re:

GRAIL SEMICONDUCTOR, a
California corporation,

Debtor-in-Possession

CASE NO.: 15-29890-D-11

Chapter 11

**GLOBAL NOTES AND STATEMENT OF LIMITATIONS, METHODOLOGY AND
DISCLAIMER REGARDING THE DEBTOR'S SCHEDULES OF ASSETS AND
LIABILITIES AND STATEMENTS OF FINANCIAL AFFAIRS**

Grail Semiconductor (the “**Debtor**”) files these *Global Notes and Statement of Limitations, Methodology and Disclaimer Regarding the Debtor’s Schedules of Assets and Liabilities and Statement of Financial Affairs* (the “**Global Notes**”) contemporaneously with filing its Schedules of Assets and Liabilities (the “**Schedules**”) and Statement of Financial Affairs (the “**SOFA**”). The Debtor prepared the Schedules and SOFA in accordance with section 521 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “**Bankruptcy Code**”), and Rule 1007 of the Federal Rules of Bankruptcy Procedure.

These Global Notes pertain to, are incorporated by reference in, and comprise an integral part of, all of the Schedules and SOFA. These Global Notes should be referred to, and reviewed in connection with, any review of the Schedules and SOFA.

The Schedules and SOFA do not purport to represent financial statements prepared in accordance with Generally Accepted Accounting Principles (“**GAAP**”), nor are they intended to

1 fully reconcile to any financial statements prepared by the Debtor. The Schedules and SOFA
2 reflect the Debtor's best effort to compile information regarding the assets and liabilities of the
3 Debtor. Additionally, the Schedules and SOFA contain unaudited information that is subject to
4 further review and potential adjustment. The Debtor reserves all rights to amend or supplement
5 its Schedules and SOFA.

6 Nothing contained in the Schedules and SOFA or these Global Notes shall constitute a
7 waiver of any of the Debtor's rights or an admission with respect to its chapter 11 case, including,
8 but not limited to, any issues involving objections to claims, setoff or recoupment, equitable
9 subordination, defenses, characterization or re-characterization of contracts, leases and claims,
10 assumption or rejection of contracts and leases and/or causes of action arising under the
11 Bankruptcy Code or any other applicable laws to recover assets or avoid transfers.

12 Notwithstanding the Debtor's reasonable efforts to properly characterize, classify,
13 categorize, or designate certain claims, assets, executory contracts, and other items reported in the
14 Schedules and SOFA, the Debtor may nevertheless seek to recharacterize, reclassify,
15 recategorize, redesignate, add, or delete items included in the Schedules and SOFA, and the
16 Debtor and its estate reserve all rights in this regard.

17 **NOTES FOR SCHEDULES**

18 **Schedule A/B: Assets – Real and Personal Property.** Despite its commercially
19 reasonable efforts to identify all known assets, the Debtor may not have listed all of its causes of
20 action or potential causes of action against third parties as assets in its Schedules and SOFA,
21 including, but not limited to, causes of action arising under the Bankruptcy Code or any other
22 applicable laws to recover assets or avoid transfers. The Debtor and its estate reserve all of its
23 rights with respect to any claims and causes of action that it may have, and neither these Global
24 Notes nor the Schedules and SOFA shall be deemed a waiver of any such claims and causes of
25 actions, or in any way waive, prejudice, impair or otherwise affect the assertion of such claims
26 and causes of action. Patents, trademarks, and other intellectual property are listed as an
27 unknown or undetermined amount on account of the fact that the fair market value of such
28 ownership is dependent on numerous variables and factors and may differ significantly from the

1 net book value.

2 **Schedule D: Creditors Who Have Claims Secured by Property.** The Debtor and its
3 estate reserve all rights to dispute or challenge the validity, perfection or immunity from
4 avoidance of any lien purported to be granted or perfected in any specific asset to a creditor listed
5 on Schedule D. The Debtor and its estate reserve all rights to dispute or challenge the secured
6 nature of any such claim or the characterization of the structure of any transaction, document or
7 instrument related to any such claim. The descriptions provided in Schedule D are intended only
8 to be a summary. By listing a party on Schedule D based on a UCC-1 filing, the Debtor and its
9 estate are not conceding that such party actually holds a perfected, unavoidable security interest in
10 the asset that is the subject of such filing, and reserve all rights as set forth in these Global Notes.

11 **Schedule E/F: Creditors Who Have Unsecured Claims.** The Debtor and its estate
12 reserve all rights to dispute or challenge whether creditors listed on Schedule E/F are entitled to
13 priority claims. Certain creditors listed on Schedule E/F may owe amounts to the Debtor; as
14 such, the Debtor and its estate may have valid setoff and recoupment rights with respect to such
15 amounts, which rights are not reflected on Schedule E/F. Also, the amounts listed on Schedule
16 E/F reflect known prepetition claims as of the filing of this bankruptcy case. Such amounts do
17 not reflect any rights of setoff or recoupment that may be asserted by any creditors listed on
18 Schedule E/F, and the Debtor and its estate reserve all rights to challenge any setoff and
19 recoupment rights that may be asserted against it. The Debtor and its estate reserve all rights to
20 dispute or challenge the validity, perfection or immunity from avoidance of any lien purported to
21 be perfected by a creditor listed on Schedule E/F.

22 **NOTES FOR STATEMENT OF FINANCIAL AFFAIRS**

23 **SOFA 7.** The Debtor and its estate reserve all rights, claims and defenses with respect to
24 any and all listed lawsuits and administrative proceedings (or potential lawsuits and
25 administrative proceedings). The listing of any such suits and proceedings shall not constitute an
26 admission by the Debtor and its estate of any liabilities or that the actions or proceedings were
27 correctly filed against the Debtor.
28

Fill in this information to identify the case:

Debtor name Grail SemiconductorUnited States Bankruptcy Court for the: Eastern District of CA
(State)Case number (if known): 15-29890-D-11☐ Check if this is an amended filing

Official Form 206A/B

Schedule A/B: Assets — Real and Personal Property

12/15

Disclose all property, real and personal, which the debtor owns or in which the debtor has any other legal, equitable, or future interest. Include all property in which the debtor holds rights and powers exercisable for the debtor's own benefit. Also include assets and properties which have no book value, such as fully depreciated assets or assets that were not capitalized. In Schedule A/B, list any executory contracts or unexpired leases. Also list them on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G).

Be as complete and accurate as possible. If more space is needed, attach a separate sheet to this form. At the top of any pages added, write the debtor's name and case number (if known). Also identify the form and line number to which the additional information applies. If an additional sheet is attached, include the amounts from the attachment in the total for the pertinent part.

For Part 1 through Part 11, list each asset under the appropriate category or attach separate supporting schedules, such as a fixed asset schedule or depreciation schedule, that gives the details for each asset in a particular category. List each asset only once. In valuing the debtor's interest, do not deduct the value of secured claims. See the instructions to understand the terms used in this form.

Part 1: Cash and cash equivalents

1. Does the debtor have any cash or cash equivalents?

- ☐ No. Go to Part 2.
☒ Yes. Fill in the information below.

All cash or cash equivalents owned or controlled by the debtor

Current value of debtor's interest

2. Cash on hand

\$ 0

3. Checking, savings, money market, or financial brokerage accounts (Identify all)

Name of institution (bank or brokerage firm)	Type of account	Last 4 digits of account number	
3.1. <u>See Attached</u>			\$ <u>87,063.84</u>
3.2. _____			\$ _____

4. Other cash equivalents (Identify all)

4.1. <u>See Attached</u>	\$ <u>3,565,814.83</u>
4.2. _____	\$ _____

5. Total of Part 1

Add lines 2 through 4 (including amounts on any additional sheets). Copy the total to line 80.

\$ 3,652,878.67**Part 2: Deposits and prepayments**

6. Does the debtor have any deposits or prepayments?

- ☒ No. Go to Part 3.
☐ Yes. Fill in the information below.

Current value of debtor's interest

7. Deposits, including security deposits and utility deposits

Description, including name of holder of deposit

7.1. _____	\$ _____
7.2. _____	\$ _____

Debtor Grail Semiconductor
Name _____Case number (if known) 15-29890-D-11**8. Prepayments, including prepayments on executory contracts, leases, insurance, taxes, and rent**

Description, including name of holder of prepayment

8.1. _____ \$ _____

8.2. _____ \$ _____

9. Total of Part 2.

Add lines 7 through 8. Copy the total to line 81.

\$ _____

Part 3: Accounts receivable**10. Does the debtor have any accounts receivable?**☒ No. Go to Part 4.☐ Yes. Fill in the information below.Current value of debtor's
interest**11. Accounts receivable**11a. 90 days old or less: _____ - _____ = → \$ _____
face amount doubtful or uncollectible accounts11b. Over 90 days old: _____ - _____ = → \$ _____
face amount doubtful or uncollectible accounts**12. Total of Part 3**

Current value on lines 11a + 11b = line 12. Copy the total to line 82.

\$ _____

Part 4: Investments**13. Does the debtor own any investments?**☐ No. Go to Part 5.☒ Yes. Fill in the information below.Valuation method
used for current valueCurrent value of debtor's
interest**14. Mutual funds or publicly traded stocks not included in Part 1**

Name of fund or stock:

14.1. 1,247,500 shares of Nemaska Lithium, Inc. common stock and 1,000,000 warrants FMV as of 12/30/15 \$ 377,453.58

14.2. _____ \$ _____

15. Non-publicly traded stock and interests in incorporated and unincorporated businesses, including any interest in an LLC, partnership, or joint venture

Name of entity:

% of ownership:

Residual cash

15.1. Grail Semiconductor Limited, registered in Hong Kong 100 % balance in bank \$ de minimis

15.2. _____ % _____ \$ _____

16. Government bonds, corporate bonds, and other negotiable and non-negotiable instruments not included in Part 1

Describe:

16.1. _____ \$ _____

16.2. _____ \$ _____

17. Total of Part 4

Add lines 14 through 16. Copy the total to line 83.

\$ 377,453.58

Debtor Grail Semiconductor
Name _____

Case number (if known) _____

Part 5: Inventory, excluding agriculture assets

18. Does the debtor own any inventory (excluding agriculture assets)?

- ☒ No. Go to Part 6.
☐ Yes. Fill in the information below.

General description	Date of the last physical inventory	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
19. Raw materials	_____ MM / DD / YYYY	\$ _____	_____	\$ _____
20. Work in progress	_____ MM / DD / YYYY	\$ _____	_____	\$ _____
21. Finished goods, including goods held for resale	_____ MM / DD / YYYY	\$ _____	_____	\$ _____
22. Other inventory or supplies	_____ MM / DD / YYYY	\$ _____	_____	\$ _____
23. Total of Part 5 Add lines 19 through 22. Copy the total to line 84.				\$ _____

24. Is any of the property listed in Part 5 perishable?

- ☐ No
☐ Yes

25. Has any of the property listed in Part 5 been purchased within 20 days before the bankruptcy was filed?

- ☐ No
☐ Yes. Book value _____ Valuation method _____ Current value _____

26. Has any of the property listed in Part 5 been appraised by a professional within the last year?

- ☐ No
☐ Yes

Part 6: Farming and fishing-related assets (other than titled motor vehicles and land)

27. Does the debtor own or lease any farming and fishing-related assets (other than titled motor vehicles and land)?

- ☒ No. Go to Part 7.
☐ Yes. Fill in the information below.

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
28. Crops—either planted or harvested	\$ _____	_____	\$ _____
29. Farm animals <i>Examples:</i> Livestock, poultry, farm-raised fish	\$ _____	_____	\$ _____
30. Farm machinery and equipment (Other than titled motor vehicles)	\$ _____	_____	\$ _____
31. Farm and fishing supplies, chemicals, and feed	\$ _____	_____	\$ _____
32. Other farming and fishing-related property not already listed in Part 6	\$ _____	_____	\$ _____

Debtor

Grail Semiconductor

Case number (if known) 15-29890-D-11

Name

33. Total of Part 6.

Add lines 28 through 32. Copy the total to line 85.

\$ _____

34. Is the debtor a member of an agricultural cooperative?☐ No☐ Yes. Is any of the debtor's property stored at the cooperative?☐ No☐ Yes**35. Has any of the property listed in Part 6 been purchased within 20 days before the bankruptcy was filed?**☐ No☐ Yes. Book value \$ _____ Valuation method _____ Current value \$ _____**36. Is a depreciation schedule available for any of the property listed in Part 6?**☐ No☐ Yes**37. Has any of the property listed in Part 6 been appraised by a professional within the last year?**☐ No☐ Yes**Part 7: Office furniture, fixtures, and equipment; and collectibles****38. Does the debtor own or lease any office furniture, fixtures, equipment, or collectibles?**☐ No. Go to Part 8.☒ Yes. Fill in the information below.

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
39. Office furniture			
_____	\$ _____	_____	\$ _____
40. Office fixtures			
_____	\$ _____	_____	\$ _____
41. Office equipment, including all computer equipment and communication systems equipment and software			
2 - 2014 Computers; 1 - 2015 computer; 1 - 2015 printer	\$ 10,392.00	Cost	\$ 10,392.00
42. Collectibles <i>Examples: Antiques and figurines; paintings, prints, or other artwork; books, pictures, or other art objects; china and crystal; stamp, coin, or baseball card collections; other collections, memorabilia, or collectibles</i>			
42.1 _____	\$ _____	_____	\$ _____
42.2 _____	\$ _____	_____	\$ _____
42.3 _____	\$ _____	_____	\$ _____

43. Total of Part 7.

Add lines 39 through 42. Copy the total to line 86.

\$ 10,392.00

44. Is a depreciation schedule available for any of the property listed in Part 7?☒ No☐ Yes**45. Has any of the property listed in Part 7 been appraised by a professional within the last year?**☒ No☐ Yes

Debtor Grail Semiconductor
Name _____Case number (if known) 15-29890-D-11**Part 8: Machinery, equipment, and vehicles**

46. Does the debtor own or lease any machinery, equipment, or vehicles?

- ☒ No. Go to Part 9.
- ☐ Yes. Fill in the information below.

General description Include year, make, model, and identification numbers (i.e., VIN, HIN, or N-number)	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
47. Automobiles, vans, trucks, motorcycles, trailers, and titled farm vehicles			
47.1 _____	\$ _____	_____	\$ _____
47.2 _____	\$ _____	_____	\$ _____
47.3 _____	\$ _____	_____	\$ _____
47.4 _____	\$ _____	_____	\$ _____
48. Watercraft, trailers, motors, and related accessories Examples: Boats, trailers, motors, floating homes, personal watercraft, and fishing vessels			
48.1 _____	\$ _____	_____	\$ _____
48.2 _____	\$ _____	_____	\$ _____
49. Aircraft and accessories			
49.1 _____	\$ _____	_____	\$ _____
49.2 _____	\$ _____	_____	\$ _____
50. Other machinery, fixtures, and equipment (excluding farm machinery and equipment)			
_____	\$ _____	_____	\$ _____

51. Total of Part 8.

Add lines 47 through 50. Copy the total to line 87.

\$ _____

52. Is a depreciation schedule available for any of the property listed in Part 8?

- ☐ No
- ☐ Yes

53. Has any of the property listed in Part 8 been appraised by a professional within the last year?

- ☐ No
- ☐ Yes

Debtor

Grail Semiconductor

Name

Case number (if known)

Part 9: Real property

54. Does the debtor own or lease any real property?

- ☒ No. Go to Part 10.
- ☐ Yes. Fill in the information below.

55. Any building, other improved real estate, or land which the debtor owns or in which the debtor has an interest

Description and location of property Include street address or other description such as Assessor Parcel Number (APN), and type of property (for example, acreage, factory, warehouse, apartment or office building), if available.	Nature and extent of debtor's interest in property	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
55.1 _____	_____	\$ _____	_____	\$ _____
55.2 _____	_____	\$ _____	_____	\$ _____
55.3 _____	_____	\$ _____	_____	\$ _____
55.4 _____	_____	\$ _____	_____	\$ _____
55.5 _____	_____	\$ _____	_____	\$ _____
55.6 _____	_____	\$ _____	_____	\$ _____

56. Total of Part 9.

Add the current value on lines 55.1 through 55.6 and entries from any additional sheets. Copy the total to line 88.

\$ _____

57. Is a depreciation schedule available for any of the property listed in Part 9?

- ☐ No
- ☐ Yes

58. Has any of the property listed in Part 9 been appraised by a professional within the last year?

- ☐ No
- ☐ Yes

Part 10: Intangibles and intellectual property

59. Does the debtor have any interests in intangibles or intellectual property?

- ☐ No. Go to Part 11.
- ☒ Yes. Fill in the information below.

General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
60. Patents, copyrights, trademarks, and trade secrets _____	\$ _____	_____	\$ _____
61. Internet domain names and websites _____	\$ _____	_____	\$ _____
62. Licenses, franchises, and royalties _____	\$ _____	_____	\$ _____
63. Customer lists, mailing lists, or other compilations _____	\$ _____	_____	\$ _____
64. Other intangibles, or intellectual property See Attached _____	\$ _____	_____	\$ Unknown
65. Goodwill _____	\$ _____	_____	\$ _____

66. Total of Part 10.

Add lines 60 through 65. Copy the total to line 89.

\$ Unknown

Debtor Grail Semiconductor
NameCase number (if known) 15-29890-D-11

67. Do your lists or records include personally identifiable information of customers (as defined in 11 U.S.C. §§ 101(41A) and 107)?

- ☒ No
☐ Yes

68. Is there an amortization or other similar schedule available for any of the property listed in Part 10?

- ☒ No
☐ Yes

69. Has any of the property listed in Part 10 been appraised by a professional within the last year?

- ☒ No
☐ Yes

Part 11: All other assets

70. Does the debtor own any other assets that have not yet been reported on this form?

Include all interests in executory contracts and unexpired leases not previously reported on this form.

- ☐ No. Go to Part 12.
☒ Yes. Fill in the information below.

Current value of
debtor's interest

71. Notes receivable

Description (include name of obligor)	188,833.00	-	0	= →	\$ 188,833.00
Ronald W. Hofer	Total face amount		doubtful or uncollectible amount		

72. Tax refunds and unused net operating losses (NOLs)

Description (for example, federal, state, local)

Aggregate unused NOLs through tax year 2014

Tax year	\$ 7,367,255.00
Tax year	\$
Tax year	\$

73. Interests in insurance policies or annuities

\$

74. Causes of action against third parties (whether or not a lawsuit has been filed)

See Attached

\$ Undetermined

Nature of claim

Amount requested \$

75. Other contingent and unliquidated claims or causes of action of every nature, including counterclaims of the debtor and rights to set off claims

See Attached

\$ Undetermined

Nature of claim

Amount requested \$

76. Trusts, equitable or future interests in property

\$

77. Other property of any kind not already listed Examples: Season tickets, country club membership

\$

\$

78. Total of Part 11.

Add lines 71 through 77. Copy the total to line 90.

\$ 7,556,088.00

79. Has any of the property listed in Part 11 been appraised by a professional within the last year?

- ☒ No
☐ Yes

Debtor

Grail Semiconductor

Name

Case number (if known) 15-29890-D-11

Part 12: Summary

In Part 12 copy all of the totals from the earlier parts of the form.

Type of property	Current value of personal property	Current value of real property
80. Cash, cash equivalents, and financial assets. <i>Copy line 5, Part 1.</i>	\$ 3,652,878.67	
81. Deposits and prepayments. <i>Copy line 9, Part 2.</i>	\$	
82. Accounts receivable. <i>Copy line 12, Part 3.</i>	\$	
83. Investments. <i>Copy line 17, Part 4.</i>	\$ 377,453.58	
84. Inventory. <i>Copy line 23, Part 5.</i>	\$	
85. Farming and fishing-related assets. <i>Copy line 33, Part 6.</i>	\$	
86. Office furniture, fixtures, and equipment; and collectibles. <i>Copy line 43, Part 7.</i>	\$ 10,392.00	
87. Machinery, equipment, and vehicles. <i>Copy line 51, Part 8.</i>	\$	
88. Real property. <i>Copy line 56, Part 9.</i> →		\$
89. Intangibles and intellectual property. <i>Copy line 66, Part 10.</i>	\$ Unknown	
90. All other assets. <i>Copy line 78, Part 11.</i>	+ \$ 7,556,088.00	
91. Total. Add lines 80 through 90 for each column. 91a.	\$ 11,596,812.25	+ 91b. \$
92. Total of all property on Schedule A/B. Lines 91a + 91b = 92.		\$ 11,596,812.25

Schedule A/B

Part 1:

3. Checking, savings, money market, or financial brokerage accounts (identify all)

	Name of Institution	Type of account	Last 4 digits of account number	Current value of debtor's interests
3.1	Wells Fargo Bank	Checking	5922	\$12,322.13
3.2	Wells Fargo Bank	Checking	6623	\$ -0-
3.3	Wells Fargo Bank	Savings	4837	\$2,419.97
3.4	Wells Fargo Bank	Securities	5392	\$68,944.27
3.5	Bank of the West (account in the name of 1 st Class Legal NA LLC)	Checking	5430	\$1,377.40
3.6	Morgan Stanley (account in the name of 1 st Class Legal NA LLC)	Investment	0407	\$2,000.07
			Total	\$87,063.84

4. Other cash equivalents (identify all)

	Where Funds Held	Current Value
4.1	Funds in Niro, Haller & Niro Trust Account FBO Grail Semiconductor, Inc.	\$50,000.00
4.2	Funds in Law Office of Timothy A. Charshaf Trust Account FBO Grail Semiconductor, Inc. [\$3,084,446.22 turned over to DIP post-petition]	\$3,089,895.01
4.3	Funds in Boutin Jones Inc. Trust Account	\$4,433.00
4.4	Funds on retainer with Felderstein Fitzgerald Willoughby & Pascuzzi LLP	\$113,528.82
4.5	Funds on retainer with Michael F. Burkart	\$163,190.00
4.6	Funds on retainer with Aronowitz Skidmore & Lyon	\$94,768.00
4.7	Funds on retainer with Law Office of Timothy A. Charshaf	\$50,000.00
	Total	\$3,565,814.83

Attachment to Schedule A/B

Part 10: Intangibles and intellectual property

64. Other intangibles, or intellectual property

General Description	Net book value of debtor's interest (where available)	Valuation method used for current value	Current value of debtor's interest
Non-patented technology comprised of inductive capacitor circuits, nonvolatile memory cell circuits, all logic circuits associated therewith, peripheral circuits operating on the same chip with such semiconductor circuits, semiconductor nonvolatile storage capacitors, nonvolatile memory storage cells, semiconductor nonvolatile memory storage cells, and nonvolatile memory cell address buffers. The non-patented technology also includes all methods of manufacture suitable for use in manufacturing all or any portion of such semiconductor inductive capacitor circuit or cells, including, but not limited to, semiconductor nonvolatile storage capacitors, nonvolatile memory storage cells, semiconductor nonvolatile memory storage cells, and nonvolatile memory cell address buffers.	N/A		Undetermined

Schedules A/B

Part 11: All other assets

74. Causes of action against third parties (whether or not a lawsuit has been filed)

Third Party	Nature of Claim	Amount
Schwartz, Rimberg, Boyd & Radar, LLP and David R. Schwarcz, Esq. 6310 San Vicente Blvd., Suite 360 Los Angeles, CA 90048	Malpractice claims	Undetermined
Mishcon de Reya of New York LLP 750 7th Avenue, 26th Floor New York, NY 10019	Waste claims	Undetermined
Ronald Hofer c/o Jamie P. Dreher, Esq. Downey Brand LLP 621 Capitol Mall, 18th Floor Sacramento, CA 95814	Potential cross-claims	Undetermined

75. Other contingent and unliquidated claims or causes of action of every nature, including counterclaims of the debtor and rights to set off claims

Other Party	Nature of Claim	Amount
1st Class Legal (IS) Limited Bob Gordon, Managing Director Oak House, Sitka Drive Shrewsbury Business Park Shrewsbury, Shropshire SY2 6LG UNITED KINGDOM	Potential claims regarding amount paid prior to petition date	Undetermined
Alain Champagne 1305-4950 Boulevard de l'Assomption Montreal, QC, H1T 0A3 CANADA	Setoff rights	Undetermined
Brad Woods 9000 Divide-1127 North Summit Blvd Mountain Meadows #105 Frisco, CO 80443	Setoff rights	Undetermined
Dr. Frank B. Holze c/o Allan D. NewDelman, Esq. Allan D. NewDelman, P.C. 80 East Columbus Avenue Phoenix, AZ 85012	Setoff rights	Undetermined
Edward J. Nixon 615 Denmark Drive, Apt. 204 Memphis, TN 38103	Setoff rights	Undetermined
Frank P. Bauder 8320 Summerset Drive Anchorage, AK 99518	Setoff rights	Undetermined

Other Party	Nature of Claim	Amount
Gerchen Keller Capital, LLC Attn: Douglas G. Gruener 353 North Clark Street, Suite 2700 Chicago, IL 60654	Setoff rights; potential claims regarding amount paid prior to petition date	Undetermined
Mitchell J. NewDelman c/o Allan D. NewDelman, Esq. Allan D. NewDelman, P.C. 80 East Columbus Avenue Phoenix, AZ 85012	Setoff rights	Undetermined
Niro, Haller & Niro, Ltd. Attn: Raymond P. Niro 181 W. Madison Street, Suite 4600 Chicago, IL 60602-4515	Potential claims regarding amount of attorneys' fees already paid	Undetermined
The Pearl Law Firm, P.A. Attn: Robert J. Pearl, Esq. 7400 Tamiami Trail North, Suite 101 Naples, Florida 34108	Setoff rights	Undetermined
Willis E. Higgins, Esq. P.O. Box 720 55 High Street Brownville, ME 04414	Setoff rights	Undetermined
Estate of Jeffrey Benjamin Harrison (deceased March 2008) ADDRESS UNKNOWN	Setoff rights	Undetermined

Fill in this information to identify the case:

Debtor name Grail Semiconductor
 United States Bankruptcy Court for the: Eastern District of CA
 (State)
 Case number (If known): 15-29890-D-11

☐ Check if this is an amended filing

Official Form 206D

Schedule D: Creditors Who Have Claims Secured by Property

12/15

Be as complete and accurate as possible.

1. Do any creditors have claims secured by debtor's property?

- ☐ No. Check this box and submit page 1 of this form to the court with debtor's other schedules. Debtor has nothing else to report on this form.
☒ Yes. Fill in all of the information below.

Part 1: List Creditors Who Have Secured Claims

2. List in alphabetical order all creditors who have secured claims. If a creditor has more than one secured claim, list the creditor separately for each claim.

Column A
Amount of claim
Do not deduct the value of collateral.

Column B
Value of collateral that supports this claim

2.1 Creditor's name

See Attached

Describe debtor's property that is subject to a lien

\$ _____ \$ _____

Creditor's mailing address

Creditor's email address, if known

Date debt was incurred

Last 4 digits of account number

Do multiple creditors have an interest in the same property?

- ☐ No
☐ Yes. Specify each creditor, including this creditor, and its relative priority.

Describe the lien

Is the creditor an insider or related party?

- ☐ No
☐ Yes

Is anyone else liable on this claim?

- ☐ No
☐ Yes. Fill out *Schedule H: Codebtors* (Official Form 206H).

As of the petition filing date, the claim is:

Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

2.2 Creditor's name

Describe debtor's property that is subject to a lien

\$ _____ \$ _____

Creditor's mailing address

Creditor's email address, if known

Date debt was incurred

Last 4 digits of account number

Do multiple creditors have an interest in the same property?

- ☐ No
☐ Yes. Have you already specified the relative priority?
☐ No. Specify each creditor, including this creditor, and its relative priority.

Describe the lien

Is the creditor an insider or related party?

- ☐ No
☐ Yes

Is anyone else liable on this claim?

- ☐ No
☐ Yes. Fill out *Schedule H: Codebtors* (Official Form 206H).

As of the petition filing date, the claim is:

Check all that apply.

- ☐ Contingent
☐ Unliquidated
☐ Disputed

3. Total of the dollar amounts from Part 1, Column A, including the amounts from the Additional Page, if any.

\$ 5,911,029.90

In re: Grail Semiconductor	Case No.: 15-29890-D-11
Debtor.	

Schedule D: Creditors Who Have Claims Secured by Property

Line	Creditors Name, Mailing Address, email address, if known	Date Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Describe Debtor's Property Subject to Lien/Describe Lien	Is Anyone Else Liable on this Claim?	Is the creditor an insider or related party?	Do Multiple Creditors have an interest in the same property? If yes specify creditor and its relative priority	Amount of Claim Do not deduct the value of collateral.	Value of collateral that supports this claim
2.1	1st Class Legal (IS) Limited Bob Gordon, Managing Director Oak House, Sitka Drive Shrewsbury Business Park Shrewsbury, Shropshire SY2 6LG UNITED KINGDOM	Oct 2011- Dec 2014			x	Lien on settlement payment from <i>Grail Semiconductor, Inc. v. Mitsubishi Electric & Electronics USA, Inc.</i> , Case No. 1-07-CV-098590 (Sup. Ct. Cal., Santa Clara Cty.) based on UCC-1 filed 5/13/15	No	No	Yes Fifth priority based on UCC-1 filing	-0-	\$3,084,446.22
2.2	Gerchen Keller Capital, LLC Attn: Douglas G. Gruener 353 North Clark Street, Suite 2700 Chicago, IL 60654	10/27/15			x	Lien on settlement payment from <i>Grail Semiconductor, Inc. v. Mitsubishi Electric & Electronics USA, Inc.</i> , Case No. 1-07-CV-098590 (Sup. Ct. Cal., Santa Clara Cty.) based on UCC-1 filed 11/4/14	No	No	Yes Fourth priority based on UCC-1 filing	\$1,496,795.40	\$3,084,446.22
2.3	Khosrow Benyamin 422 S. Bedford Drive Beverly Hills, CA 90212 -and- Frank A. Saez 6310 San Vicente Blvd., Suite 360 Los Angeles, CA 90048	11/17/09			x	UCC-1 filed 1/23/13 on patent no. 6642552 and application nos. 10413792, 10694661 and 09776003	No	No	No	\$328,000.00	\$-0-; Debtor no longer has patent

In re: Grail Semiconductor	Case No.: 15-29890-D-11
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Line	Creditors Name, Mailing Address, email address, if known	Date Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Describe Debtor's Property Subject to Lien/Describe Lien	Is Anyone Else Liable on this Claim?	Is the creditor an insider or related party?	Do Multiple Creditors have an interest in the same property? If yes specify creditor and its relative priority	Amount of Claim Do not deduct the value of collateral.	Value of collateral that supports this claim
2.4	Mishcon de Reyna New York LLP 750 7th Avenue, 26th Floor New York, NY 10019				x	Notice of Lien on settlement payment from <i>Grail Semiconductor, Inc. v. Mitsubishi Electric & Electronics USA, Inc.</i> , Case No. 1-07-CV-098590 (Sup. Ct. Cal., Santa Clara Cty.) filed in lawsuit on May 28, 2013	No	No	Yes Third priority based on notice of lien filed in May 2013	\$1,943,734.16	\$3,084,446.22
2.5	Niro, Haller & Niro, Ltd. Attn: Raymond P. Niro 181 W. Madison Street, Suite 4600 Chicago, IL 60602-4515	Nov-Dec 2015			x	Attorneys' lien on settlement payment from <i>Grail Semiconductor, Inc. v. Mitsubishi Electric & Electronics USA, Inc.</i> , Case No. 1-07-CV-098590 (Sup. Ct. Cal., Santa Clara Cty.) and UCCs filed in California on 7/10/12, 7/11/12 and 7/16/12	No	No	Yes First priority based on notice of attorneys' lien served on 7/6/2012	\$45,390.87	\$3,084,446.22
2.	Schwartz Rimberg & Morris, LLP Attn: David Schwartz 6310 San Vicente Blvd., Suite 360 Los Angeles, CA 90048 dschwartz@srmllp.com	Dec 2012			x	Notice of Lien on settlement payment from <i>Grail Semiconductor, Inc. v. Mitsubishi Electric & Electronics USA, Inc.</i> , Case No. 1-07-CV-098590 (Sup. Ct. Cal., Santa Clara Cty.) filed in lawsuit in December 2012	No	No	Yes Second priority based on notice of lien filed in December 2012	\$2,097,109.47	\$3,084,446.22
Total Schedule D										\$5,911,029.90	

Fill in this information to identify the case:

Debtor Grail Semiconductor

United States Bankruptcy Court for the: Eastern District of CA
(State)

Case number 15-29890-D-11
(If known)

☐ Check if this is an amended filing

Official Form 206E/F**Schedule E/F: Creditors Who Have Unsecured Claims**

12/15

Be as complete and accurate as possible. Use Part 1 for creditors with PRIORITY unsecured claims and Part 2 for creditors with NONPRIORITY unsecured claims. List the other party to any executory contracts or unexpired leases that could result in a claim. Also list executory contracts on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B) and on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G). Number the entries in Parts 1 and 2 in the boxes on the left. If more space is needed for Part 1 or Part 2, fill out and attach the Additional Page of that Part included in this form.

Part 1: List All Creditors with PRIORITY Unsecured Claims

1. Do any creditors have priority unsecured claims? (See 11 U.S.C. § 507).

- ☐ No. Go to Part 2.
☒ Yes. Go to line 2.

2. List in alphabetical order all creditors who have unsecured claims that are entitled to priority in whole or in part. If the debtor has more than 3 creditors with priority unsecured claims, fill out and attach the Additional Page of Part 1.

	Total claim	Priority amount
2.1 Priority creditor's name and mailing address <u>See Attached</u> Date or dates debt was incurred _____ Last 4 digits of account number _____ Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (____)	As of the petition filing date, the claim is: \$ _____ Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: _____ Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes	\$ _____

2.2 Priority creditor's name and mailing address Date or dates debt was incurred _____ Last 4 digits of account number _____ Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (____)	As of the petition filing date, the claim is: \$ _____ Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: _____ Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes	\$ _____
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2.3 Priority creditor's name and mailing address Date or dates debt was incurred _____ Last 4 digits of account number _____ Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (____)	As of the petition filing date, the claim is: \$ _____ Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: _____ Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes	\$ _____
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Part 2: List All Creditors with NONPRIORITY Unsecured Claims

3. **List in alphabetical order all of the creditors with nonpriority unsecured claims.** If the debtor has more than 6 creditors with nonpriority unsecured claims, fill out and attach the Additional Page of Part 2.

Amount of claim

3.1	Nonpriority creditor's name and mailing address See Attached _____ _____ _____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: _____ Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes
	Date or dates debt was incurred _____ Last 4 digits of account number _____	
3.2	Nonpriority creditor's name and mailing address _____ _____ _____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: _____ Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes
	Date or dates debt was incurred _____ Last 4 digits of account number _____	
3.3	Nonpriority creditor's name and mailing address _____ _____ _____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: _____ Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes
	Date or dates debt was incurred _____ Last 4 digits of account number _____	
3.4	Nonpriority creditor's name and mailing address _____ _____ _____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: _____ Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes
	Date or dates debt was incurred _____ Last 4 digits of account number _____	
3.5	Nonpriority creditor's name and mailing address _____ _____ _____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: _____ Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes
	Date or dates debt was incurred _____ Last 4 digits of account number _____	
3.6	Nonpriority creditor's name and mailing address _____ _____ _____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: _____ Is the claim subject to offset? <input type="checkbox"/> No <input type="checkbox"/> Yes
	Date or dates debt was incurred _____ Last 4 digits of account number _____	

Part 3:**List Others to Be Notified About Unsecured Claims**

4. List in alphabetical order any others who must be notified for claims listed in Parts 1 and 2. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for unsecured creditors.

If no others need to be notified for the debts listed in Parts 1 and 2, do not fill out or submit this page. If additional pages are needed, copy the next page.

Name and mailing address	On which line in Part 1 or Part 2 is the related creditor (if any) listed?	Last 4 digits of account number, if any
4.1. See Attached	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____
4.2.	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____
4.3.	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____
4.4.	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____
4.5.	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____
4.6.	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____
4.7.	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____
4.8.	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____
4.9.	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____
4.10.	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____
4.11.	Line _____ <input type="checkbox"/> Not listed. Explain _____	_____

Part 4:

Total Amounts of the Priority and Nonpriority Unsecured Claims

5. Add the amounts of priority and nonpriority unsecured claims.

		Total of claim amounts
5a. Total claims from Part 1	5a.	\$ Unknown
5b. Total claims from Part 2	5b. +	\$ 12,833,813.16
5c. Total of Parts 1 and 2 Lines 5a + 5b = 5c.	5c.	\$ 12,833,813.16

In re: Grail Semiconductor	Case No.:
Debtor.	15-29890

Schedule E/F: Creditors Who Have Unsecured Claims**Part 1: List All Creditors with PRIORITY Unsecured Claims**

	Priority Creditors Name and Mailing Address	Date or Dates Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Basis for Claim	Subject to Offset?	Total Claim	Priority Amount
2.1	Internal Revenue Service P.O. Box 7346 Philadelphia, PA 19101-7346 Last 4 digits of Account No. 2007 Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a)(8)	Unknown	X			Income and payroll taxes	No	Unknown	Unknown
2.2	Franchise Tax Board Bankruptcy Section MS A-340 P.O. Box 2952 Sacramento, CA 95812-2592 Last 4 digits of Account No. 2007 Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a)(8)	Unknown	X			Income taxes	No	Unknown	Unknown
2.3	Employment Development Dept. P.O. Box 826880 MIC 92E Sacramento, CA 94280-0001					Notice only			
2.4	Florida Dept. of Revenue Bankruptcy Unit P.O. Box 6668 Tallahassee, FL 32314 Last 4 digits of Account No. 2007 Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a)(8)	Unknown	X			Income taxes	No	Unknown	Unknown

	Priority Creditors Name and Mailing Address	Date or Dates Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Basis for Claim	Subject to Offset?	Total Claim	Priority Amount
2.5	Reemployment Tax Florida Dept. of Revenue 5050 W. Tennessee Street, Bldg. L Tallahassee, FL 32399-0180 Last 4 digits of Account No. 2024 Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a)(8)	Unknown	X			Payroll unemployment taxes	No	Unknown	Unknown
2.6	Colorado Dept. of Revenue Denver, CO 80261-0009 Last 4 digits of Account No. 1466 Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a)(8)	Unknown	X			Payroll withholding taxes	No	Unknown	Unknown
2.7	Colorado Dept. of Labor & Employment Unemployment Insurance Employer Services P.O. Box 8789 Denver, CO 80201-8789 Last 4 digits of Account No. 1466 Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a)(8)	Unknown	X			Payroll unemployment insurance	No	Unknown	Unknown
	Total Priority Claims							Unknown	Unknown

In re: Grail Semiconductor	Case No.:
Debtor.	15-29890

Schedule E/F: Creditors Who Have Unsecured Claims

Part 2: List All Creditors with NONPRIORITY Unsecured Claims

Line	Creditors Name and Mailing Address	Date or Dates Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Basis for Claim	Subject to Offset?	Amount of Claim
3.1	A. Terry Speizer c/o Speizer Family Farms 1141 Longview Avenue Pismo Beach, CA 93449	6/23/2002			x	Settlement agreement		\$150,000
3.2	Aaron Wenger 333 W 86th St. #1003 New York City, NY 10024	11/9/2006; 2/27/2008; 5/23/2008; 10/10/2011; 10/12/2011 and 11/18/2011	x	x	x	Convertible promissory note and possible claim for Grail Semiconductor stock		At least \$21,638.32
3.3	Alain Champagne 1305-4950 Boulevard de l'Assomption Montreal, QC, H1T 0A3 CANADA	1/17/2011- 7/20/2011 and 4/28/2015			x	Loan and director fee	Yes	\$1,409,500
3.4	Alan Boxenbaum & Devora Weiss 110 Green Bay Road, Apt. 302 Glencoe, IL 60022	7/31/2008	x		x	Convertible promissory note		\$9,922.19
3.5	Aronowitz Skidmore Lyon Attn: Paul S. Aronowitz, Esq. 200 Auburn Folsom Road, Suite 305 Auburn, CA 95603	2015				Professional services to Richard Gilbert as independent director		-0-
3.6	Bergeson LLP Attn: Daniel J. Bergeson, Esq. 2033 Gateway Place, Suite 300 San Jose, CA 95110	Oct-Nov 2010			x	Professional services		\$83,303.13
3.7	Boutin Jones Inc. Attn: Robert D. Swanson, Esq. 555 Capitol Mall, Suite 1500 Sacramento, CA 95814	Dec. 2015				Professional services		-0-
3.8	Brad Woods 9000 Divide-1127 North Summit Blvd Mountain Meadows #105 Frisco, CO 80443	2015	x	x	x	Employment contract and bonus		At least \$137,500
3.9	Brian Gibeson 39 Stanton Avenue Orinda, CA 94563	6/23/2002			x	Settlement agreement		\$100,000

Line	Creditors Name and Mailing Address	Date or Dates Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Basis for Claim	Subject to Offset?	Amount of Claim
3.10	Cable Gallagher Attn: Mark T. Gallagher, Esq. 101 Parkshore Drive, Suite 100 Folsom, CA 95630	2012-2015				Professional services to Donald Stern in section 709 action		-0-
3.11	Charles & Arlene H. Bauder 1241 Paseo De Golf Green Valley, AZ 85614	2/20/2003	x	x	x	Possible claim based on Grail Technology stock		unknown
3.12	Charles Bernard Neiss 1860 Flatbush Ave. Brooklyn, NY 11210	11/27/2000; 11/9/2006 and 11/30/2011	x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.13	Charles Stern 704 Kirkland Dr Lexington, KY 40502	9/25/2006		x	x	Purchase of Grail Semiconductor stock		\$5,000
3.14	Claro Fernandez 28 Severino Street, Doña Carmen Subdivision Commonwealth, Quezon City PHILIPPINES 1118	4/5/2002	x	x	x	Possible claim re Grail Technology stock		unknown
3.15	Colderbank Law Attn: Tania H. Colderbank, Esq. 112 "J" Street, Suite 301 Sacramento, California 95814	2012-2015				Professional services to Donald Stern in section 709 action		-0-
3.16	Daniel Ruben 1860 Flatbush Ave. Brooklyn, NY 11210	12/8/2006	x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.17	Danielle Leibowitz 949 Willowbrook Road Staten Island, NY 10314	8/15/2008 and 8/25/2008	x		x	Convertible promissory note		\$39,434.03
3.18	David Haberbusch 1438 E. Roosevelt Road Long Beach, CA 90807		x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.19	David R. Cidale 6 Marlin Dr. Pawcatuck, CT 06379	4/23/2004	x	x	x	Possible claim based on Grail Technology stock		unknown
3.20	David Rothschild Kiryat Chabad 220/84 Safet 13410 ISRAEL	2/4/2008	x		x	Convertible promissory note		\$103,655.83
3.21	Davis Wright Tremaine LLP Attn: Martin Fineman, Esq. 505 Montgomery Street, Suite 800 San Francisco, CA 94111	Aug-Oct 2015			x	Professional services		\$127,914.68
3.22	Donald Stern c/o John C. Oehmke, Esq. Diepenbrock Elkin LLP 500 Capitol Mall, Suite 2200 Sacramento, CA 95814	4/28/2015		x	x	Consulting agreement and board-approved expenses		At least \$280,000

Line	Creditors Name and Mailing Address	Date or Dates Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Basis for Claim	Subject to Offset?	Amount of Claim
3.23	Dr. Daniel F. Coughlin c/o Law Offices of Dr. Daniel F. Coughlin P.O. Box 267 Norwalk, CT 06853		x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.24	Dr. Frank B. Holze c/o Allan D. NewDelman, Esq. Allan D. NewDelman, P.C. 80 East Columbus Avenue Phoenix, AZ 85012	Oct 2011			x	Finder fee	Yes	\$550,000
3.25	Edward Ferguson 1380 Carr Ave Memphis, TN 38104	1/15/2004	x	x	x	Possible claim based on Grail Technology stock		unknown
3.26	Edward J. Nixon 615 Denmark Drive, Apt. 204 Memphis, TN 38103	2/6/2009 and 4/28/2015	x	x	x	Convertible promissory note; director fee; and possible claim based on Grail Technology stock	Yes	At least \$139,386.36
3.27	Elizabeth Mize P.O. Box 2009 Silverthorne, CO 80498	4/28/2015			x	Bonus		\$25,000
3.28	Estate of Jeffrey Benjamin Harrison (deceased March 2008) ADDRESS UNKNOWN	Jan 2005 – Jan 2007	x	x	x	Possible claim for Grail Semiconductor stock	Yes	unknown
3.29	Farmer & Associates c/o Aaron Farmer, Esq. 999 Vanderbilt Beach Road, Suite 503 Naples, FL 34108	Oct-Nov 2015			x	Professional services		\$1,519.01
3.30	Fereidun and Mojgan Bral 24311 Hatteras Street Woodland Hill, CA 91367	7/23/2008	x		x	Convertible promissory note		\$9,922.19
3.31	Frank P. Bauder 8320 Summerset Drive Anchorage, AK 99518	4/28/2015	x	x	x	Director fee and possible claim based on Grail Technology stock	Yes	At least \$137,500
3.32	Garson Segal Steinmetz Fladgate LLP Attn: Robert Garson, Esq. 164 West 25th Street, Suite 11R New York, NY 10001	2011-2013				Professional services		-0-
3.33	Gordon & Rees LLP Attn: Dion N. Cominos, Esq. 275 Battery Street, Suite 2000 San Francisco, CA 94111	2012-2013				Professional services		-0-
3.34	Gwire Law Offices Attn: William Gwire, Esq. 1250 45th Street, Suite 310 Emeryville, CA 94608	2011-2015				Professional services		-0-

Line	Creditors Name and Mailing Address	Date or Dates Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Basis for Claim	Subject to Offset?	Amount of Claim
3.35	Harold Frechter 567 Cedarwood Drive Bedarhurst, NY 11516	7/20/2007	x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.36	Howard Muehlgay 1860 Flatbush Ave. Brooklyn, NY 11210	11/9/2006 and 11/10/2006	x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.37	Ira Gutt, Esq. c/o Behar, Gutt & Glazer, P.A. 2999 NE 191st Street, Suite 500 Aventura, FL 33180	6/27/2012; 8/31/2012 and 10/20/2012	x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.38	Irvin H. Stern, Jr. and Sybil B. Stern c/o Mayfair Manor 3300 Tates Creek Road Lexington, KY 40502	9/11/2006			x	Purchase of Grail Semiconductor stock		\$26,000
3.39	James D. McDowell, Sr. 217A Couch St. Vallejo, CA 94590	3/11/2003	x	x	x	Possible claim based on Grail Technology stock		unknown
3.40	James Roberts 4110 Boulder Creek Court Fairfield, CA 94533	9/18/2003	x	x	x	Possible claim re Grail Technology stock		unknown
3.41	Jay Frechter 3210 Avenue L Brooklyn, NY 11210	11/9/2006; 2/27/2008; 5/23/2008; 10/10/2011 and 10/12/2011	x	x	x	Convertible promissory note and possible claim for Grail Semiconductor stock		At least \$21,638.32
3.42	Jeffrey K. Berlowitz 806/5 Kirjat Ungvar, Ramot Jerusalem 91237 ISRAEL	12/26/2006	x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.43	Johnie A. Hunter 1669 78th Ave. Oakland, CA 94621	3/1/2003	x	x	x	Possible claim based on Grail Technology stock		unknown
3.44	Jordan Starkman 79 Westbury Court Richmond Hill, Ontario L4S 2L2 CANADA		x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.45	Joseph Kohler 1860 Flatbush Ave. Brooklyn, NY 11210	11/9/2006	x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.46	Joseph M. Visse, Esq. Law Office of Joseph M. Visse P.O. Box 787 Novato, CA 94948	2008-2009		x	x	Loan		At least \$13,500

Line	Creditors Name and Mailing Address	Date or Dates Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Basis for Claim	Subject to Offset?	Amount of Claim
3.47	Juan Craig 300 Broadway St. Vallejo, CA 94590	8/6/2003	x	x	x	Possible claim based on Grail Technology stock		unknown
3.48	Judge Richard L. Gilbert (Ret.) 2630 "J" Street Sacramento, California 95816	2015				Independent director appointed in section 709 action		-0-
3.49	Kamal & Shirley Benyamin Textile City 748 East 8th Street Los Angeles, CA 90021	6/13/2008	x		x	Convertible promissory note		\$20,085.71
3.50	Kevin & Collette Frazier 141 Mulberry Street Vallejo, CA 94589	8/6/2003	x	x	x	Possible claim based on Grail Technology stock		unknown
3.51	Khosrow Benyamin 422 S. Bedford Drive Beverly Hills, CA 90212	2/27/2008	x		x	Convertible promissory note		\$206,484.61
3.52	Law Office of Timothy A. Charshaf Attn: Timothy A. Charshaf, Esq. 5176 Hillsdale Circle, Suite 100 El Dorado Hills, California 95762	2014-2015				Professional services		-0-
3.53	Law Offices of Russell J. Hanlon Attn: Russell J. Hanlon, Esq. 95 S. Market Street, Suite 300 San Jose, CA 95113					Professional services		-0-
3.54	Liner LLP Attn: Edward A. Klein, Esq. 1100 Glendon Avenue, Floor 14 Los Angeles, CA 90024	2012-2015				Professional services to Donald Stern in section 709 action		-0-
3.55	Lyle Mink 1801 Century Park East, Suite 2600 Los Angeles, CA 90067		x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.56	Mark A. Speizer 51 Roehampton Road Hillsborough, CA 94010	6/23/2002			x	Settlement agreement		\$150,000
3.57	Mark Bauder 836 Sonoma Blvd. Vallejo, CA 94590	4/13/2003	x	x	x	Possible claim based on Grail Technology stock		unknown
3.58	Mark Campbell 7931 Birchwood Circle La Palma, CA 90623		x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.59	Mark Rittenberg 2328 Ward Street Berkeley, CA 94705		x	x	x	Possible claim for Grail Semiconductor stock		unknown

Line	Creditors Name and Mailing Address	Date or Dates Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Basis for Claim	Subject to Offset?	Amount of Claim
3.60	Michael Dobbs-Higginson 10 Taman Serasi #04-12 Botanic Garden Mansion SINGAPORE 257721	6/12/2007	x		x	Convertible promissory note		\$35,073.70
3.61	Michael Eluster Todd 8241 Longhorn St. Anchorage, AK 99507	4/23/2004	x	x	x	Possible claim re Grail Technology stock		unknown
3.62	Mitchell J. NewDelman c/o Allan D. NewDelman, Esq. Allan D. NewDelman, P.C. 80 East Columbus Avenue Phoenix, AZ 85012	Oct 2011			x	Finder fee	Yes	\$2,750,000
3.63	Morris Getzels 6047 Tampa Avenue, #307 Tarzana, CA 91356		x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.64	Morris Zarbi 22275 Erwin Street Woodland Hills, CA 91367	7/10/2008	x		x	Convertible promissory note		\$9,967.83
3.65	Paul Hoffman 1491 S. Walnut Spring Place Green Valley, AZ 85614	4/30/2003	x	x	x	Possible claim based on Grail Technology stock		unknown
3.66	PCE Valuations, LLC 200 East New England Avenue, Suite 400 Winter Park, FL 32789	May 2015			x	Professional services		\$4,837.50
3.67	Rahmat and Lida Hanaci Textile City 748 East 8th Street Los Angeles, CA 90021	6/13/2008	x		x	Convertible promissory note		\$20,080.36
3.68	Robert Hastie 18782 Dodge Avenue Santa Ana, CA 92705		x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.69	Robert Stern c/o Edward A. Klein, Esq. Liner LLP 1100 Glendon Avenue, Floor 14 Los Angeles, CA 90024	2012-2015	x		x	Reimbursement for attorneys' fees		\$1,000,000
3.70	Ronald W. Hofer 1428 Harvest Crossing Drive McLean, VA 22101	2015	x	x	x	Employment contract and claimed bonus	Yes	At least \$2,750,000
3.71	Scott & Salmanowitz LLP Attn: John M. Salmanowitz, Esq. 50 Fremont Street, 20th Floor San Francisco, CA 94105	Mar 2015				Professional services		-0-
3.72	Shartsis Friese LLP Attn: Lisa A. Jacobs, Esq. One Maritime Plaza, 18th Floor San Francisco, CA 94111	6/12/2012			x	Settlement agreement		\$264,238

Line	Creditors Name and Mailing Address	Date or Dates Debt Incurred	CONTINGENT	UNLIQUIDATED	DISPUTED	Basis for Claim	Subject to Offset?	Amount of Claim
3.73	The Pearl Law Firm, P.A. Attn: Robert J. Pearl, Esq. 7400 Tamiami Trail North, Suite 101 Naples, Florida 34108	Various			x	Professional services	Yes	\$569,287.71
3.74	Visse & Yanez L.L.P. c/o Joseph M. Visse, Esq. Law Office of Joseph M. Visse P.O. Box 787 Novato, CA 94948 – and – Visse & Yanez L.L.P. c/o Jess P. Yanez, Esq. JPY Law Group 1300 Clay Street, Suite 600 Oakland, CA 94612	12/3/2009	x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.75	Wanda Bauder 4502 Canyon Lake Circle Corpus Christi, TX 78413	8/10/2003	x	x	x	Possible claim based on Grail Technology stock		unknown
3.76	William C. DeGarmo, Esq. 1585 White Rock Circle San Jose, CA 95125	6/1/2005	x	x	x	Possible claim for Grail Semiconductor stock		unknown
3.77	Willie C. Lowe 11828 56th Place South Seattle, WA 98178	6/2/2003	x	x	x	Possible claim based on Grail Technology stock		unknown
3.78	Willis E. Higgins, Esq. 24 Brackett Street, #1 Portland, Maine 04102	2011			x	Professional services	Yes	\$1,650,000
3.79	Winthrop Couchot Professional Corporation Attn. Robert E. Opera, Esq. 660 Newport Center Drive, Suite 400 Newport Beach, CA 92660	2012				Professional services		-0-
3.80	Wood LLP Attn: Robert Wood, Esq. 333 Sacramento Street San Francisco, CA 94111	2012			x	Professional services		\$11,423.68
	Total Nonpriority Unsecured Claims							\$12,833,813.16

In re: Grail Semiconductor	Case No.:
Debtor.	15-29890

Schedule E/F: Creditors Who Have Unsecured Claims**Part 3: List Others to be Notified About Unsecured Claims**

	Name and Mailing Address	On which line in Part 1 or Part 2 is the related creditor (if any) listed?	Last 4 digits of account number, if any
4.1	A. Terry Speizer c/o Farbstein & Blackman 411 Borel Avenue, Suite 425 San Mateo, CA 94402	A, Terry Speizer Part 2, Line 3.1	
4.2	Brian Gibeson c/o Farbstein & Blackman 411 Borel Avenue, Suite 425 San Mateo, CA 94402	Brian Gibeson Part 2, Line 3.9	
4.3	Mark Speizer c/o Farbstein & Blackman 411 Borel Avenue, Suite 425 San Mateo, CA 94402	Mark A. Speizer Part 2, Line 3.56	
4.4	Jamie P. Dreher, Esq. Downey Brand LLP 621 Capitol Mall, 18th Floor Sacramento, CA 95814	Ronald W. Hofer Part 2, Line 3.70	

Fill in this information to identify the case:

Debtor name Grail Semiconductor

United States Bankruptcy Court for the: Eastern District of CA
(State)

Case number (if known): 15-29890-D-11 Chapter 11

☐ Check if this is an amended filing

Official Form 206G

Schedule G: Executory Contracts and Unexpired Leases

12/15

Be as complete and accurate as possible. If more space is needed, copy and attach the additional page, numbering the entries consecutively.

1. Does the debtor have any executory contracts or unexpired leases?

- ☐ No. Check this box and file this form with the court with the debtor's other schedules. There is nothing else to report on this form.
- ☐ Yes. Fill in all of the information below even if the contracts or leases are listed on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B).

2. List all contracts and unexpired leases

State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease

2.1	State what the contract or lease is for and the nature of the debtor's interest	Employment Agreement with Ronald Hofer	Ronald W. Hofer c/o Jamie P. Dreher, Esq. Downey Brand LLP 621 Capitol Mall, 18th Floor Sacramento, CA 95814
	State the term remaining	Through 12/31/2016	
	List the contract number of any government contract		
2.2	State what the contract or lease is for and the nature of the debtor's interest	Employment Agreement with Brad Woods	Brad Woods 9000 Divide - 1127 North Summit Blvd. Mountain Meadows #105 Frisco, CO 80443
	State the term remaining	Through 12/31/2016	
	List the contract number of any government contract		
2.3	State what the contract or lease is for and the nature of the debtor's interest		
	State the term remaining		
	List the contract number of any government contract		
2.4	State what the contract or lease is for and the nature of the debtor's interest		
	State the term remaining		
	List the contract number of any government contract		
2.5	State what the contract or lease is for and the nature of the debtor's interest		
	State the term remaining		
	List the contract number of any government contract		

Fill in this information to identify the case:

Debtor name Grail Semiconductor

United States Bankruptcy Court for the: Eastern District of CA
(State)

Case number (If known): 15-29890-D-11

☐ Check if this is an amended filing

Official Form 206H

Schedule H: Codebtors

12/15

Be as complete and accurate as possible. If more space is needed, copy the Additional Page, numbering the entries consecutively. Attach the Additional Page to this page.

1. Does the debtor have any codebtors?

- ☒ No. Check this box and submit this form to the court with the debtor's other schedules. Nothing else needs to be reported on this form.
- ☐ Yes

2. In Column 1, list as codebtors all of the people or entities who are also liable for any debts listed by the debtor in the schedules of creditors, **Schedules D-G**. Include all guarantors and co-obligors. In Column 2, identify the creditor to whom the debt is owed and each schedule on which the creditor is listed. If the codebtor is liable on a debt to more than one creditor, list each creditor separately in Column 2.

Column 1: Codebtor

Column 2: Creditor

Name

Mailing address

Name

Check all schedules that apply:

2.1

Street

- ☐ D
☐ E/F
☐ G

City

State

ZIP Code

2.2

Street

- ☐ D
☐ E/F
☐ G

City

State

ZIP Code

2.3

Street

- ☐ D
☐ E/F
☐ G

City

State

ZIP Code

2.4

Street

- ☐ D
☐ E/F
☐ G

City

State

ZIP Code

2.5

Street

- ☐ D
☐ E/F
☐ G

City

State

ZIP Code

2.6

Street

- ☐ D
☐ E/F
☐ G

City

State

ZIP Code

Fill in this information to identify the case:

Debtor name Grail Semiconductor

United States Bankruptcy Court for the: Eastern District of CA
(State)

Case number (if known): 15-29890-D-11

☐ Check if this is an amended filing

Official Form 206Sum

Summary of Assets and Liabilities for Non-Individuals

12/15

Part 1: Summary of Assets1. **Schedule A/B: Assets—Real and Personal Property** (Official Form 206A/B)

1a. Real property: Copy line 88 from <i>Schedule A/B</i>	\$ 0.00
1b. Total personal property: Copy line 91A from <i>Schedule A/B</i>	\$ 11,596,812.25
1c. Total of all property: Copy line 92 from <i>Schedule A/B</i>	\$ 11,596,812.25

Part 2: Summary of Liabilities

2. Schedule D: Creditors Who Have Claims Secured by Property (Official Form 206D) Copy the total dollar amount listed in Column A, <i>Amount of claim</i> , from line 3 of <i>Schedule D</i>	\$ 5,911,029.90
3. Schedule E/F: Creditors Who Have Unsecured Claims (Official Form 206E/F)	
3a. Total claim amounts of priority unsecured claims: Copy the total claims from Part 1 from line 5a of <i>Schedule E/F</i>	\$ Unknown
3b. Total amount of claims of nonpriority amount of unsecured claims: Copy the total of the amount of claims from Part 2 from line 5b of <i>Schedule E/F</i>	+ \$ 12,833,813.16
4. Total liabilities Lines 2 + 3a + 3b	\$ 18,744,843.06

Fill in this information to identify the case and this filing:Debtor Name Grail SemiconductorUnited States Bankruptcy Court for the: Eastern District of CA
(State)Case number (if known): 15-29890-D-11**Official Form 202****Declaration Under Penalty of Perjury for Non-Individual Debtors**

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Declaration and signature

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- ☒ *Schedule A/B: Assets—Real and Personal Property* (Official Form 206A/B)
- ☒ *Schedule D: Creditors Who Have Claims Secured by Property* (Official Form 206D)
- ☒ *Schedule E/F: Creditors Who Have Unsecured Claims* (Official Form 206E/F)
- ☒ *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G)
- ☒ *Schedule H: Codebtors* (Official Form 206H)
- ☒ *Summary of Assets and Liabilities for Non-Individuals* (Official Form 206Sum)
- ☐ Amended Schedule _____
- ☐ *Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders* (Official Form 204)
- ☐ Other document that requires a declaration _____

I declare under penalty of perjury that the foregoing is true and correct.

Executed on

2/2/16
MM / DD / YYYY

x Michael F. Burkart
Signature of individual signing on behalf of debtor

Michael F. Burkart

Printed name

Chief Resolution Officer

Position or relationship to debtor